

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
Alexandria Division**

In re:)	
)	
STRATFORD UNIVERSITY, INC.)	Case No. 23-10176-BFK
)	Chapter 7
Debtor.)	

ULDA BELLAMOUR)	
)	
Movant,)	
)	
v.)	
)	
STRATFORD UNIVERSITY, INC. and)	
JANET M. MEIBURGER)	
)	
Respondents.)	

ORDER GRANTING RELIEF FROM THE AUTOMATIC STAY

This matter comes before the Court on *Ulda Bellamour's Motion for Determination that the Automatic Stay Does Not Apply and Motion for Relief from the Automatic Stay* filed June 27, 2023 (Doc. 79) (the “**Motion**”). In the Motion, Ulda Bellamour (“**Ms. Bellamour**”), a former Stratford University student, a creditor in this case and claimant in a stayed arbitration proceeding, requests the Court for entry of an Order (i) determining that the automatic stay does not apply to Ms. Bellamour’s providing notice to Kinsale Insurance Company (the “**Insurance Company**”) of claims covered by an expiring directors’ and officers’ insurance policy (the “**D&O Policy**”) and (ii) to the extent necessary, granting her relief from the automatic stay authorizing the notice and

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further authorizing her to continue to proceed with a stayed arbitration against officers, directors, and entities other than Stratford University, Inc. (the “**Debtor**”).

The Motion was accompanied by *Notice of Motion and Notice of Preliminary Hearing* (Doc. 79-1) (the “**Notice**”). The Motion and Notice were served on the United States Trustee, Janet M. Meiburger, Esquire (the “**Trustee**”), the Debtor’s designee and Debtor’s counsel. The Notice included (i) the time period within which objections may be filed – within fourteen (14) days of service; (ii) time and date of a preliminary hearing – July 12, 2023 at 9:30 a.m.; and (iii) the manner in which the hearing would be conducted – by Zoom for Government, together with instructions.

The Trustee filed a response – *Chapter 7 Trustee’s Response to Ulda Bellamour’s Motion for Determination that the Automatic Stay Does Not Apply and Motion for Relief from the Automatic Stay* (Doc. 82) (the “**Trustee’s Response**”). In ¶ 25 of the Trustee’s Response, the Trustee states as follows:

25. The Trustee does not object to relief from the stay being granted for the limited purpose of Ms. Bellamour’s pursuit of the arbitration proceeding as to the individual respondents. However, any order granting relief from the stay should make clear that it applies only Ms. Bellamour and that it applies only to the individual respondents.

The Trustee’s Response has been resolved as reflected in this Order and as evidenced by the Trustee’s counsel’s authorization of Ms. Bellamour’s counsel to affix her electronic signature to the Order.

The Court conducted the scheduled hearing on July 12, 2023. The following parties appeared and participated in the hearing: the Trustee on behalf of the bankruptcy estate and David R. Ruby, Esquire and Talcott J. Franklin, Esquire (*pro hac* motion pending at the time and since admitted *pro hac*) on behalf of Ms. Bellamour.

UPON the Trustee’s consent; and

UPON DUE CONSIDERATION AND FOR GOOD CAUSE SHOWN,

THE COURT HEREBY FINDS, RULES AND ORDERS AS FOLLOWS:

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, §362(d) of the United States Bankruptcy Code (the “**Code**”), Fed. R. Bankr. P. 4001 and 9014 and other applicable federal and local bankruptcy rules. This is a core proceeding pursuant to 28 U.S.C. §157(b)(2)(G). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. Capitalized terms used in this Order that are not otherwise defined in the Order shall have the same meanings as ascribed to them in the Motion.

3. The statutory bases and requirements for the relief requested in the Motion, as well as requirements of applicable federal and local bankruptcy rules, have been satisfied.

4. All required and applicable parties have been served with the Motion and Notice pursuant to applicable provisions of the Code and federal and local bankruptcy rules. Such service and notice are adequate and sufficient, and no further notice is required.

5. All objections to the Motion have been resolved.

6. The Notice of Claim delivered to the Insurance Company on Friday, May 19, 2023 (the “**Notice of Claim**”) is hereby authorized with respect to Ms. Bellamour only.

7. Ms. Bellamour is hereby granted relief from the automatic stay pursuant to § 362(d) of the Code (i) to proceed under and pursuant to the Notice of Claim and generally to engage with the Insurance company; (ii) to commence, continue and/or participate in an arbitration, to litigate and/or otherwise to pursue and proceed to judgment or settlement against the Stratford University officers, directors and/or other individual respondents under the Notice of Claim (the Stratford University officers, directors and/or other individual respondents under the Notice of Claim collectively, the “**Individual Respondents**”); (iii) to litigate insurance coverage issues; and (iv) to pursue recovery against the Individual Respondents to the extent of their assets. Proceeds of the

D&O Policy shall remain subject to the automatic stay in this case pending further order of this Court.

8. For the sake of clarity and avoidance of doubt, the relief from stay being granted to Ms. Bellamour pursuant to ¶ 7 above (i) shall apply only to Ms. Bellamour and (ii) shall apply only the Individual Respondents, not to the Debtor and not to non-debtor entities Stratford University Language Institute LLC and Stratford University Foundation, Inc. (collectively, the “**Non-Debtor Entities**”). Further, (i) Ms. Bellamour’s right to seek and pursue further and additional relief, including, but not limited to, relief from stay against the Debtor and/or the Non-Debtor Entities, and to pursue recovery against proceeds of the D&O Policy, and (ii) the rights of other former students to seek and pursue relief from stay and other relief are hereby preserved.

9. The fourteen (14)-day stay otherwise applicable pursuant to Fed. R. Bankr. P. 4001(a)(3) is hereby waived so as to allow Ms. Bellamour to proceed immediately upon entry of this Order.

Date: Aug 11 2023

/s/ Brian F Kenney

Brian F. Kenney, Judge
United States Bankruptcy Court
for the Eastern District of Virginia

Entered on Docket: August 11, 2023

WE ASK FOR THIS:

Ulda Bellamour

By: /s/ David R. Ruby
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SEEN AND NO OBJECTION:

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By: /s/ Janet M. Meiburger¹
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¹ An imaged copy of proposed Order containing wet ink signature was forwarded to proponent by email 08/09/23.

Certification of Compliance with Local Rule 9022-1(C)

Pursuant to Local Rule 9022-1(C), I hereby certify that the foregoing Order has been served on and/or signed by all necessary parties.

/s/ David R. Ruby

David R. Ruby

PARTIES TO RECEIVE COPIES

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